

104TH CONGRESS  
1ST SESSION

# **S. RES. 118**

Concerning United States-Japan Trade Relations.

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## IN THE SENATE OF THE UNITED STATES

MAY 9 (legislative day, MAY 1), 1995

Mr. BYRD (for himself, Mr. DOLE, Mr. DASCHLE, Mr. BAUCUS, Mr. REID, Mr. ASHCROFT, Mr. WARNER, Mr. LEVIN, Mr. HOLLINGS, Mr. PRESSLER, Mr. DORGAN, Mr. SARBANES, Mr. SPECTER, Mr. BROWN, and Mr. D'AMATO) submitted the following resolution; which was considered and agreed to

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## **RESOLUTION**

Concerning United States-Japan Trade Relations.

Whereas the United States and Japan have a long and important relationship which serves as an anchor of peace and stability in the Pacific region;

Whereas tension exists in an otherwise normal and friendly relationship between the United States and Japan because of persistent and large trade deficits which are the result of practices and regulations which have substantially blocked legitimate access of American automotive products to the Japanese market;

Whereas the current account trade deficit with Japan in 1994 reached an historic high level of \$66 billion, of which \$37 billion, or 56 percent, is attributed to imbal-

ances in automotive sector, and of which \$12.8 billion is attributable to auto parts flows;

Whereas in July 1993, the Administration reached a broad accord with the Government of Japan, which established automotive trade as one of 5 priority areas for negotiations, to seek market-opening arrangements based on objective criteria and which would result in objective progress;

Whereas a healthy American automobile industry is of central importance to the American economy, and to the capability of the United States to fulfill its commitments to remain as an engaged, deployed, Pacific power;

Whereas, after 18 months of negotiations with the Japanese, beginning in September 1993, the United States Trade Representative concluded that no progress had been achieved, leaving the auto parts market in Japan “virtually closed”;

Whereas in October 1994, the United States initiated an investigation under section 301 of the Trade Act of 1974 into the Japanese auto parts market, which could result in the imposition of trade sanctions on a variety of Japanese imports into the United States unless measurable progress is made in penetrating the Japanese auto parts market;

Whereas the latest round of United States-Japan negotiations on automotive trade, in Whistler, Canada, collapsed in failure on May 5, 1995, and the United States Trade Representative, Ambassador Kantor, stated the “Government of Japan has refused to address our most fundamental concerns in all areas” of automotive trade, and

that “discrimination against foreign manufacturers of autos and auto parts continues.”; and

Whereas, President Clinton stated, on May 5, 1995, that the United States is “committed to taking strong action” regarding Japanese imports into the United States if no agreement is reached: Now, therefore, be it

1       *Resolved*, That it is the sense of the Senate that—

2               (1) the Senate regrets that negotiations be-  
3       tween the United States and Japan for sharp reduc-  
4       tions in the trade imbalances in automotive sales  
5       and parts, through elimination of restrictive Japa-  
6       nese market-closing practices and regulations, have  
7       collapsed; and

8               (2) if negotiations under section 301 of the  
9       Trade Act of 1974 fail to open the Japanese auto  
10      parts market, the United States Senate strongly  
11      supports the decision by the President to impose  
12      sanctions on Japanese products in accordance with  
13      section 301.

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